

<i>SERFF Tracking Number:</i>	<i>HRLV-125341418</i>	<i>State:</i>	<i>Arkansas</i>
<i>Filing Company:</i>	<i>Harleysville Mutual Insurance Company</i>	<i>State Tracking Number:</i>	<i>AR-PC-07-026608</i>
<i>Company Tracking Number:</i>	<i>IMJM100207-1</i>		
<i>TOI:</i>	<i>09.0 Inland Marine</i>	<i>Sub-TOI:</i>	<i>09.0005 Other Commercial Inland Marine</i>
<i>Product Name:</i>	<i>CIM</i>		
<i>Project Name/Number:</i>	<i>IM National Cleaners Association/</i>		

## Filing at a Glance

Company: Harleysville Mutual Insurance Company

Product Name: CIM

SERFF Tr Num: HRLV-125341418 State: Arkansas

TOI: 09.0 Inland Marine

SERFF Status: Closed

State Tr Num: AR-PC-07-026608

Sub-TOI: 09.0005 Other Commercial Inland Marine

Co Tr Num: IMJM100207-1

State Status:

Filing Type: Form

Co Status: Submitted to State

Reviewer(s): Betty Montesi,  
Llyweyia Rawlins, Brittany Yielding

Author: Carol Zwoyer

Disposition Date: 11/01/2007

Date Submitted: 10/31/2007

Disposition Status: Approved

Effective Date Requested (New): 12/01/2007

Effective Date (New): 12/01/2007

Effective Date Requested (Renewal): 12/01/2007

Effective Date (Renewal):

12/01/2007

## General Information

Project Name: IM National Cleaners Association

Status of Filing in Domicile:

Project Number:

Domicile Status Comments:

Reference Organization:

Reference Number:

Reference Title:

Advisory Org. Circular:

Filing Status Changed: 11/01/2007

State Status Changed: 10/31/2007

Deemer Date:

Corresponding Filing Tracking Number:

Filing Description:

With this filing it is our intent to submit for your review and approval the introduction of our National Cleaners Association program as a supplement to our Commercial Inland Marine program.

## Company and Contact

### Filing Contact Information

Carol Zwoyer, Senior State Filing Analyst  
355 Maple Avenue

czwoyer@harleysvillegroup.com  
(215) 256-5735 [Phone]

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Harleysville, PA 19438-2297 (215) 256-5678[FAX]

**Filing Company Information**

Harleysville Mutual Insurance Company	CoCode: 14168	State of Domicile: Pennsylvania
355 Maple Avenue	Group Code: 253	Company Type:
Harleysville, PA 19438	Group Name:	State ID Number:
(215) 256-5000 ext. [Phone]	FEIN Number: 23-0902325	
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## Filing Fees

Fee Required?	Yes
Fee Amount:	\$50.00
Retaliatory?	No
Fee Explanation:	
Per Company:	No

COMPANY	AMOUNT	DATE PROCESSED	TRANSACTION #
Harleysville Mutual Insurance Company	\$50.00	10/31/2007	16401002

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## Correspondence Summary

### Dispositions

<b>Status</b>	<b>Created By</b>	<b>Created On</b>	<b>Date Submitted</b>
Approved	Llyweyia Rawlins	11/01/2007	11/01/2007

*SERFF Tracking Number: HRLV-125341418*

*State: Arkansas*

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*Product Name: CIM*

*Project Name/Number: IM National Cleaners Association/*

## **Disposition**

Disposition Date: 11/01/2007

Effective Date (New): 12/01/2007

Effective Date (Renewal): 12/01/2007

Status: Approved

Comment:

Rate data does NOT apply to filing.

SERFF Tracking Number: HRLV-125341418 State: Arkansas

Filing Company: Harleysville Mutual Insurance Company State Tracking Number: AR-PC-07-026608

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TOI: 09.0 Inland Marine Sub-TOI: 09.0005 Other Commercial Inland Marine

Product Name: CIM

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Item Type	Item Name	Item Status	Public Access
Supporting Document	Uniform Transmittal Document-Property & Casualty	Approved	Yes
Supporting Document	cover letter	Approved	Yes
Form	Bailees' Customers Coverage Form Declaration	Approved	Yes
Form	Bailees' Customers Coverage Form - Special	Approved	Yes
Form	Storage Coverage Endorsement	Approved	Yes
Form	Replacement Cost Endorsement	Approved	Yes
Form	Dry Cleaners Extension	Approved	Yes
Form	Storage Coverage Extension	Approved	Yes

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## Form Schedule

Review Status	Form Name	Form #	Edition Date	Form Type Action	Action Specific Data	Readability	Attachment
Approved	Bailees' Customers Coverage Form Declaration	CM-7268	10-07	Declaration New s/Schedule		0.00	CM-7268 _Ed. 10-07_ Bailees Cust Cvge Form Dec.pdf
Approved	Bailees' Customers Coverage Form - Special	CMW-7341	02-99	Policy/CoveNew rage Form		0.00	CMW-7341 _Ed. 2-99_.pdf
Approved	Storage Coverage Endorsement	CM-7102	08-87	Endorseme New nt/Amendm ent/Condi tions		0.00	CM-7102 _Ed. 8-87_ Storage Coverage Endorsemen t.pdf
Approved	Replacement Cost Endorsement	CM-7118	06-90	Endorseme New nt/Amendm ent/Condi tions		0.00	CM-7118 _Ed. 6-90_ Repl Cost Endt.pdf
Approved	Dry Cleaners Extension	CM-7426	10-07	Endorseme New nt/Amendm ent/Condi tions		0.00	CM-7426 _Ed. 10-07_ Dry Cleaners Extensions.p df
Approved	Storage Coverage Extension	CM-7427	10-07	Endorseme New nt/Amendm ent/Condi tions		0.00	CM-7427 _Ed. 10-07_ Storage Coverage Extensions.p df

**BAILEES CUSTOMERS COVERAGE FORM DECLARATIONS****National Cleaners Association Program**

Attach to CMW-7341 - Bailees Customers Coverage Form - Special

<b>POLICY NUMBER</b>		
<b>POLICY PERIOD</b>		
From	To	12:01 A.M. Standard Time
<b>LIMITS OF INSURANCE</b>		
PROPERTY AT YOUR PREMISES		LIMIT OF INSURANCE
Prem. No.	Bldg. No.	Location
		\$ <u>NO LIMIT COVERAGE</u>
PROPERTY AT PREMISES OF OTHERS		\$ <u>NO LIMIT COVERAGE</u>
PROPERTY IN TRANSIT		\$ <u>NO LIMIT COVERAGE</u>
PROPERTY IN STORAGE <input type="checkbox"/> Attach Storage Coverage Endorsement CM-7102		
Prem. No.	Bldg. No.	Location
FURS AND PROPERTY TRIMMED WITH FUR		\$
ALL COVERED PROPERTY IN ANY ONE OCCURRENCE		\$ <u>NO LIMIT COVERAGE</u>
<b>DEDUCTIBLE</b>		
The Deductible amount is \$ _____ per occurrence.		
<b>REPORTS AND PREMIUM</b>		
REPORTING PROVISIONS: <input type="checkbox"/> Apply <input type="checkbox"/> Do Not Apply		
PREMIUM BASE:		
BAILEES COVERAGE		STORAGE COVERAGE
\$ _____ Gross Receipts		\$ _____ Total Storage Values
RATE per \$100: _____		_____
REPORTING PERIOD: <input type="checkbox"/> Monthly <input type="checkbox"/> Annual		
PREMIUM ADJUSTMENT PERIOD: <input type="checkbox"/> Monthly <input type="checkbox"/> Annual		
MINIMUM EARNED PREMIUM: \$ _____		
<b>SPECIAL PROVISIONS</b>		
1. – 7. See form CM-7426 - Dry Cleaners Extensions		
8. If endorsement CM-7118 is included in the Forms and Endorsements section of CM-7010 Commercial Inland Marine Coverage Part, then item 3.a.(1) Property of others is deleted from endorsement CM-7118.		



**BAILEES CUSTOMERS COVERAGE FORM – SPECIAL**

Various provisions in this policy restrict coverage. Read the entire policy carefully to determine rights, duties and what is and is not covered.

Throughout this policy the words “you” and “your” refer to the Named Insured shown in the Declarations. The words “we”, “us” and “our” refer to the Company providing this insurance.

Other words and phrases that appear in quotation marks have special meaning. Refer to SECTION H - DEFINITIONS.

**A. COVERAGE**

We will pay for direct physical “loss” to Covered Property caused by or resulting from any Covered Cause of Loss.

**1. COVERED PROPERTY**

Covered Property, as used in this Coverage Form, means all goods or articles accepted by you for cleaning, renovating, processing, dyeing, repairing or laundering (the property of your customers).

Covered Property includes the customary charges made by you that have been earned on lost or damaged Covered Property.

**2. PROPERTY NOT COVERED**

Covered Property does not include:

- a. Goods held for storage or for which a storage charge is made unless a Limit of Insurance for Storage is indicated in the Declarations.

The following shall not be considered goods held for storage:

- (1) Covered Property held by you without instruction from your customers to hold on storage, or

- (2) Property accepted for storage but only while in cleaning process or being transported by you between your plant or branch stores and agencies or the premises of your customers.

- b. Goods in the custody of other dyers, cleaners, or laundries unless a Limit of Insurance for Property at Premises of Others is indicated in the Declarations.
- c. Fur or garments trimmed with fur, except as provided under the Coverage Extension for Furs and Garments Trimmed With Fur.
- d. Accounts, bills, currency, deeds, money, notes, securities and evidence of debt.
- e. Your furniture, fixtures, office supplies, improvements and betterments, machinery, tools, fittings, patterns, dies, molds and models.
- f. Contraband or property in the course of illegal transportation or trade.

**3. COVERED CAUSES OF LOSS**

Covered Causes of Loss means RISKS OF DIRECT PHYSICAL “LOSS” to Covered Property except those Causes of “Loss” listed in the Exclusions.

**4. ADDITIONAL COVERAGE - COLLAPSE**

We will pay for “Loss” caused by or resulting from risks of direct physical “loss” involving collapse of a building or any part of a building caused only by one or more of the following:

- a. The “Specified Causes of Loss,” all only as covered in this Coverage Form;
- b. Hidden decay;
- c. Hidden insect or vermin damage;
- d. Weight of people or personal property;
- e. Weight of rain that collects on a roof;

## Commercial Inland Marine

- f. Use of defective materials or methods in construction, remodeling or renovation if the collapse occurs during the course of the construction, remodeling or renovation.

This Additional Coverage will not increase the Limits of Insurance provided in this Coverage Form.

### 5. COVERAGE EXTENSIONS

#### a. FURS AND GARMENTS TRIMMED WITH FUR

If a Limit of Insurance is indicated in the Declarations, Covered Property includes furs and garments trimmed with fur.

If no Limit of Insurance is shown in the Declarations, furs and garments trimmed with fur are Property Not Covered.

#### b. DRY CLEANING, LAUNDERING OR PRESSING FAULTY WORKMANSHIP

We will pay for damage caused by you as a result of faulty, inadequate or defective workmanship or materials caused to Covered Property in your care, custody and control for dry cleaning, laundering or pressing.

We will not pay for "loss" in any one occurrence until the amount of loss or damage exceeds \$500. We will then pay the amount of loss or damage in excess of this deductible up to 25% of the Limit of Insurance for the Covered Property at the location where the "loss" occurred.

#### c. DEBRIS REMOVAL

- (1) We will pay your expense to remove debris of Covered Property caused by or resulting from a Covered Cause of Loss that occurs during the policy period. The expenses will be paid only if they are reported to us in writing within 180 days of the date of direct physical "loss".

- (2) The most we will pay under this Coverage Extension is 25% of:

- (a) The amount we pay for the direct physical "loss" to Covered Property; plus

- (b) The deductible in this policy applicable to that "loss".

But this limitation does not apply to any additional Debris Removal provided in the Limits of Insurance Section.

- (3) This Coverage Extension does not apply to costs to:

- (a) Extract "pollutants" from land or water; or

- (b) Remove, restore or replace polluted land or water.

#### d. PRESERVATION OF PROPERTY

If it is necessary to move Covered Property from the described premises to preserve it from "loss" by a Covered Cause of Loss we will pay for any direct physical "loss" to that property:

- (1) While it is being moved or while temporarily stored at another location; and

- (2) Only if the "loss" occurs within 10 days after the property is first moved.

#### e. FIRE DEPARTMENT SERVICE CHARGE

When the fire department is called to save or protect Covered Property from a Covered Cause of Loss, we will pay up to \$1,000 for your liability for fire department service charges:

- (1) Assumed by contract or agreement prior to "loss"; or

- (2) Required by local ordinance.

No deductible applies to this Coverage Extension.

#### f. POLLUTANT CLEANUP AND REMOVAL

We will pay your expense to extract "pollutants" from land or water at the described premises if the release, discharge or dispersal of the "pollutants" is caused by or results from a Covered Cause of Loss that occurs during the policy period. The expenses will be paid only if they are reported to us in writing within 180 days of the date of direct physical "loss".

## Commercial Inland Marine

The most we will pay for each location under this Coverage Extension is \$10,000 for the sum of all such expenses arising out of Covered Causes of Loss occurring during each separate 12 month period of this policy.

### g. NEWLY ACQUIRED LOCATIONS

If you acquire additional locations during the policy period, we will cover each location for up to thirty (30) days after it is acquired, or until the expiration of the policy, whichever comes first.

You must provide us with a complete description of each additional location within this 30-day period and pay any additional premium.

The most that we will pay in the event of "loss" to Covered Property at each location is the smaller of the following:

- (1) 25% of the Limit of Insurance shown for the location with the highest value; or
- (2) \$50,000.

## B. EXCLUSIONS

1. We will not pay for loss or damage caused directly or indirectly by any of the following. Such loss or damage is excluded regardless of any other cause or event that contributes concurrently or in any sequence to the loss.

### a. GOVERNMENTAL ACTION

Seizure or destruction of property by order of governmental authority.

But we will pay for acts of destruction ordered by governmental authority and taken at the time of a fire to prevent its spread, if the fire would be covered under this Coverage Form.

### b. NUCLEAR HAZARD

Nuclear reaction or radiation, or radioactive contamination however caused.

But if loss or damage by fire results, we will pay for that resulting loss or damage.

### c. WAR AND MILITARY ACTION

- (1) War, including undeclared or civil war;
- (2) Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or
- (3) Insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against any of these.

### d. WATER

- (1) Flood, surface water, waves, tides, tidal waves, overflow of any body of water, or their spray, all whether driven by wind or not;
- (2) Mudslide or mudflow;
- (3) Water that backs up from a sewer or drain; or
- (4) Water under the ground surface pressing on, or flowing or seeping through:
  - (a) Foundations, walls, floors or paved surfaces;
  - (b) Basements, whether paved or not; or
  - (c) Doors, windows or other openings.
- (5) Any release of water impounded by a dam.

But if "loss" by fire, explosion, theft or sprinkler leakage results, we will pay for that resulting "loss".

This exclusion does not apply to property in transit.

2. We will not pay for "loss" caused by or resulting from any of the following:
  - a. Delay, loss of use or loss of market, or any other consequential loss except earned charges as specified in Covered Property.
  - b. Unexplained disappearance or shortage found upon taking inventory.

## Commercial Inland Marine

- c. Dishonest acts by you, anyone else with an interest in the property, your or their employees or authorized representatives, or anyone entrusted with the property for any purpose.

This exclusion applies whether or not such persons are acting alone or in collusion with others, or occurring during the hours of employment.

But this exclusion does not apply to property in the custody of a carrier for hire.

- d. Processing or work upon the property, except as provided in the Coverage Extension for Dry Cleaning, Laundering or Pressing Faulty Workmanship.

But we will pay for direct "loss" caused by resulting fire or explosion, if these Causes of Loss would be covered under this Coverage Form.

- e. Artificially generated current creating a short circuit or other electric disturbance within an article covered under this Coverage Form.

But we will pay for direct "loss" caused by resulting fire or explosion, if these Causes of Loss would be covered under this Coverage Form.

This exclusion applies only to "loss" to that article in which the disturbance occurs.

- f. Voluntary parting with any property by you or anyone entrusted with the property if induced to do so by any fraudulent scheme, trick, device or false pretense.
- g. Unauthorized instructions to transfer property to any person or to any place.
- h. Release, discharge or dispersal of "pollutants," except as provided in the Coverage Extension for Pollutant Cleanup And Removal.

- 3. We will not pay for "loss" caused by or resulting from any of the following. But if "loss" by a Covered Cause of Loss results, we will pay for that resulting "loss."

- a. Weather conditions. But this exclusion only applies if weather conditions contribute in any way with a cause or event excluded in paragraph 1. above to produce the "loss."

- b. Acts or decisions, including the failure to act or decide, of any person, group, organization or governmental body.

- c. Faulty, inadequate or defective:

- (1) Planing, zoning, development, surveying, siting;

- (2) Design, specifications, workmanship, repair, construction, renovation, remodeling, grading, compaction;

- (3) Materials used in repair, construction, renovation or remodeling; or

- (4) Maintenance;

of part or all of any property wherever located.

- d. Collapse, except as provided in the Additional Coverage – Collapse of this Coverage Form.

- e. Wear and tear, any quality in the property that causes it to damage or destroy itself, hidden or latent defect, gradual deterioration, depreciation, mechanical breakdown, insects, vermin, rodents, corrosion, rust, dampness, cold or heat.

- f. Misdelivery or careless destruction of goods or other unaccountable "loss" where there is no evidence that the "loss" was occasioned by a Covered Cause of Loss.

- g. Theft from any unattended vehicle unless at the time of theft its windows, doors and compartments were closed and locked and there are visible signs that the theft was the result of forced entry.

But this exclusion does not apply to property in the custody of a common carrier.

## C. LIMITS OF INSURANCE

The most we will pay for "loss" in any one occurrence is the applicable Limit of Insurance shown in the Declarations.

## Commercial Inland Marine

The limits applicable to the Fire Department Service Charge, Pollutant Clean Up and Removal, and Newly Acquired Locations Coverage Extensions are in addition to the Limits of Insurance.

Payments under the Furs and Garments Trimmed With Fur, Dry Cleaning Laundering or Pressing Faulty Workmanship, Preservation of Property, and Debris Removal Coverage Extensions will not increase the applicable Limits of Insurance.

### D. DEDUCTIBLE

We will not pay for "loss" in any one occurrence until the amount of the adjusted "loss" (before applying the applicable Limits of Insurance) exceeds the Deductible shown in the Declarations. We will then pay the amount of the adjusted "loss" in excess of the Deductible, up to the applicable Limit of Insurance.

### E. ADDITIONAL CONDITIONS

The following conditions apply in addition to the Commercial Inland Marine Conditions and Common Policy Conditions.

#### 1. COVERAGE TERRITORY

Coverage applies only while the Covered Property is located within:

- a. The United States of America; and
- b. Canada.

#### 2. REPORTS AND PREMIUM

##### a. Reports

- (1) Within 15 days after the end of each Reporting Period shown in the Declarations, you will report to us the following:
  - (a) For other than storage coverage, the amount of "gross receipts" for the preceding Reporting Period; and

- (b) If Storage coverage is applicable, the total of values recorded from "storage receipts" for the preceding period.

- (2) If you have failed to submit the required reports of value as of the time of "loss," we will not pay more than the amount included in your last report of value.

- (3) Although the reported value will be used in computing premium, we will not pay more than the applicable Limit of Insurance shown in the Declarations.

##### b. Premium

- (1) Premium Computation. We will compute the premium:

- (a) Using the rates and Premium Base, and

- (b) As of each Premium Adjustment Period shown in the Declarations.

- (2) Premium Adjustment

When the Annual Premium Adjustment Period is shown in the Declarations, we will compare the total computed premium to the Deposit Premium. If it is more than the Deposit Premium, you will pay us the difference. If it is less than the Deposit Premium, we will pay you the difference.

##### c. Minimum Premium

The minimum annual premium shown in the Declarations is not subject to a refund.

##### d. If this coverage is cancelled:

- (1) When the Premium Base is gross receipts, you will report the amount of gross receipts up to and including the date of cancellation.
- (2) When the Premium Base is values, you will report the amount of values as of the date of cancellation. We will compute the premium for less than a full Adjustment Period on a pro rata basis.

### **3. COINSURANCE**

- a. All Covered Property must be insured for at least 90% of its total value as of the time of "loss" or you will incur a penalty.

The penalty is that we will pay only the proportion of any "loss" that the Limit of Insurance shown in the Declarations for all Covered Property at all locations bears to 90% of the total value of all Covered Property.

- b. If as of the time of "loss":

- (1) You have not submitted any required reports, we will not pay more than 90% of the amount that we would otherwise have paid.
- (2) Your last report prior to "loss" is less than the amount you are required to report, we will pay only that proportion of the "loss" that the reported amount bears to the total amount you are required to report as of the time of the last report.

### **4. VALUATION**

The valuation of Covered Property will be the sum of:

- a. The amount as determined by the Valuation General Condition in the Commercial Inland Marine Conditions; and
- b. The customary charges made by you that have been earned; and
- c. The cost of labor and materials incurred by you in processing.

### **5. ANNUAL RERATING**

This coverage will be rerated at each anniversary.

The coverage will be changed to reflect the rates then in effect. You agree to furnish us with information we require for rerating purposes within 30 days after each anniversary.

### **6. "LOSS" PAID BY YOU**

You may adjust and pay "loss" amounting in the aggregate to \$100 or less. Such "loss" must be in full agreement with the conditions of this policy and you must submit a statement of "loss" to us.

### **F. DEFINITIONS**

1. "Loss" means accidental loss or damage.
2. "Specified Causes of Loss" means the following: Fire; lightning; windstorm; hail; explosion; smoke; aircraft; vehicles; riot; civil commotion; vandalism; breakage of glass; falling objects; weight of snow, ice or sleet; water damage.

Water damage means accidental discharge or leakage of water or steam as the direct result of the breaking or cracking of any part of a system or appliance containing water or steam.

3. "Pollutants" means any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalis, chemicals and waste. Waste includes materials to be recycled.
4. "Gross receipts" means the full amount, whether or not collected, of the actual processing charges from your business.
5. "Storage Receipts" means receipts given your customers complying with all provisions stipulated under the Storage Coverage Endorsement.

This endorsement modifies insurance provided under the following:

**BAILEES' CUSTOMERS COVERAGE FORM - BASIC  
BAILEES' CUSTOMERS COVERAGE FORM - SPECIAL**

## **STORAGE COVERAGE ENDORSEMENT**

Conditions applicable to Storage Coverage:

1. When storage coverage is indicated in the Declarations, this policy is extended to cover property of your customers which is accepted for storage (excluding furs or articles trimmed with fur) by you, and for which you shall issue a complete receipt which includes an agreement that you shall maintain insurance and which also contains the following provisions:
  - a. Each complete receipt (other than a temporary or interim receipt) given to your customers shall stipulate or in effect provide that:
    - (1) Your customer accepts the receipt as being correct in all respects, unless your customer notifies you in writing within ten days after the date of issue thereof, of any error or irregularity therein;
    - (2) You will have obtained for the benefit of your customer, insurance on each article listed in the receipt which shall, in terms usual to such insurance, cover against loss by fire and theft for the value set opposite each item, and which value also shall be stated as your limit of liability for any loss of or damage to said article;
    - (3) The provisions of said receipt shall be to our benefit to the same extent that such provisions shall be to your benefit.
    - (4) The provisions of said receipt shall not extend in kind or amount the insurance provided by this coverage;
    - (5) The provisions of said receipt shall supersede any temporary or interim receipt given by you to any customer.
2. We shall not be liable for more than the amount stipulated in any receipt issued by you as applying to each article, whether on account of legal liability or otherwise, or for more than the actual value of the property, or for more than the cost of repair or replacement of the property with materials of like kind and quality, whichever is least, and subject to the foregoing, we shall not be liable in any one "loss" for more than the applicable limit of insurance as stated in the Declarations.
3. You shall keep an accurate record of all receipts issued, and said record shall show with respect to each article the name and address of the customer, description, amount of value stipulated by the customer, and where located. Such record shall be open for examination by our authorized representatives at all reasonable times during the policy period and for one year thereafter.
4. You must maintain the protective safeguards stated by you to be in effect at a location when this coverage began.

If you fail to keep the protective safeguards:

  - a. In working condition at a location; and
  - b. In operation when you are closed to business;

Coverage for which the protective safeguards apply is automatically suspended at that location. This suspension will last until equipment or services are back in operation.
5. In the event of actual or threatened "loss" of or damage to property insured hereunder, we may, at our option, take such steps as necessary to protect, rehabilitate, or recondition the property including the removal of the same from the place of "loss" and the employment of independent contractors to do such work.

This endorsement modifies insurance provided under the following:

**COMMERCIAL INLAND MARINE COVERAGE PART**

**CM-7118  
(Ed. 6-90)**

Coverage Form: \_\_\_\_\_

**REPLACEMENT COST ENDORSEMENT**

The following Replacement Cost Condition (without deduction for depreciation) replaces Actual Cash Value in the GENERAL CONDITIONS - E. VALUATION.

**3. Replacement Cost**

- a.** Replacement Cost (without deduction for depreciation) replaces Actual Cash Value in the Loss Condition, Valuation, of this Coverage Form.
- b.** This Optional Coverage does not apply to:
  - (1)** Property of others;
  - (2)** Contents of a residence;
  - (3)** Manuscripts;
  - (4)** Works of art, antiques or rare articles, including etchings, pictures, statuary, marbles, bronzes, porcelains and bric-a-brac; or
  - (5)** "Stock" unless the Including "Stock" option is shown in the Declarations.
- c.** You may make a claim for loss or damage covered by this insurance on an actual cash value basis instead of on a replacement cost basis. In the event you elect to have loss or damage settled on an actual cash value basis, you may still make a claim for the additional coverage this Optional Coverage provides if you notify us of your intent to do so within 180 days after the loss or damage.
- d.** We will not pay on a replacement cost basis for any loss or damage:
  - (1)** Until the lost or damaged property is actually repaired or replaced; and
  - (2)** Unless the repairs or replacement are made as soon as reasonably possible after the loss or damage.
- e.** We will not pay more for loss or damage on a replacement cost basis than the least of:
  - (1)** The Limit of Insurance applicable to the lost or damaged property;
  - (2)** The cost to replace the lost or damaged property with other property;
    - (a)** Of comparable material and quality; and
    - (b)** Used for the same purpose; or
  - (3)** The amount you actually spend that is necessary to repair or replace the lost or damaged property.



This endorsement modifies insurance provided under the following:

**CMW-7341 - BAILEES CUSTOMERS COVERAGE FORM - SPECIAL**

**CM-7426**  
**(Ed. 10-07)**

**DRY CLEANERS EXTENSIONS**

**SPECIAL PROVISIONS**

- (1) The Limit of Insurance (if any) for Furs And Garments Trimmed With Fur shown in the CMW-7228 Bailees Customers Coverage Declarations applies only to such property accepted by you for cleaning, renovating, processing, dyeing, repairing or laundering..
- (2) Under **A.5. Coverage Extensions**, the most we will pay for "loss" under Item **d. Faulty Workmanship** is amended to \$25,000 in any one occurrence.
- (3) Under **B. Exclusions**, item **1.d. Water** is deleted.
- (4) Under **B. Exclusions**, item **2.b. Unexplained disappearance or shortage found upon taking inventory** is deleted. However, the most we will pay for "loss" under these circumstances is \$25,000 in any one occurrence, not to exceed \$1,500 for any one article.
- (5) Under **B. Exclusions**, item **3.g.** is amended to read: Theft of property from any vehicle left overnight. This exclusion does not apply if the vehicle is locked in your private garage or building occupied solely by you.
- (6) Section **D. Deductible** is amended to the extent that from the aggregate amount of all adjusted claims arising from each separate occurrence, the highest single deductible amount specified in the Declarations shall be deducted and borne by you.
- (7) The following are added to **F. Definitions**:
  6. "Approved storage enclosure" means a fur storage vault constructed of cement block or concrete with a vault door. This enclosure must be protected by a central station burglar alarm.
  7. "Conditional receipt" means a receipt that:
    - a. Contains an itemized listing of furs or fur trimmed garments accepted for storage; and
    - b. States that you have effected insurance for each article accepted for storage and indicates next to each article the value for which it is insured. Your customer must accept the receipt as accurate, including the values per article (which is your limit of liability for loss or damage). If no value is set opposite a listed article, your customer for all purposes shall have declared a value of \$100 for said article.

This endorsement modifies insurance provided under the following:

**CMW-7341 – BAILEES' CUSTOMERS COVERAGE FORM - SPECIAL**

**CM-7427**  
**(Ed. 10-07)**

**STORAGE COVERAGE EXTENSIONS**  
**SCHEDULE**

Coverage A	Premises	Deductible	Limit per Article	Limit of Insurance
<input type="checkbox"/>				

Coverage B	Premises	Deductible	Limit per Article	Limit of Insurance
<input type="checkbox"/>				

Coverage C	Premises	Deductible	Limit per Article	Limit of Insurance
<input type="checkbox"/>				

- A.** Each Coverage – Coverage **A**, Coverage **B** and Coverage **C** – applies only if that Coverage(s) is chosen by entry in the Schedule of this endorsement and then only with respect to the Premises identified in the Schedule of this endorsement for that Coverage(s).

**B. Coverages**

**1. Coverage A – Storage Coverage (excluding Furs And Articles Trimmed With Fur)**

Storage Coverage Endorsement CM-7102 is attached to this policy.

**2. Coverage B – Storage of Furs And Articles Trimmed With Fur**

Storage Coverage Endorsement CM-7102 is attached to this policy and is extended to cover furs and articles trimmed with fur.

**3. Coverage C – Excess Legal Liability for Bailees Storing Furs And Articles Trimmed With Fur**

**a. Insuring Agreement**

We agree to pay all sums you shall become obligated as a bailee to pay by reason of the liability imposed upon you by law for direct physical "loss" caused by or resulting from any Covered Cause of Loss to property insured under this Coverage Extension and for which you have issued a "conditional receipt."

But this agreement to pay shall apply only to the amount such liability in excess of the valuation entered in a "conditional receipt" and shall be subject to the Limits of Insurance shown above.

The coverage afforded by this extension does not apply to:

- (1)** Liability for property for which you have not issued a "conditional receipt" to the property owner; or
- (2)** Liability assumed by you under any agreement, express or implied.

**b. Conditions applicable to Coverage C**

In the event of loss or damage which might produce a claim against you for damages, or if a claim is made or suit is brought against you, written notice shall be provided to us as soon as practicable. Such notices shall contain particulars sufficient to identify you and also all reasonably obtainable information respecting the loss or damages claimed, including time, place, and cause of loss. You shall immediately forward to us every demand, notice, summons or other process received.

You shall cooperate with us and, at our request shall attend hearings and trials and shall assist in effecting settlements, procuring and giving evidence, obtaining the attendance of witnesses and in the conduct of suits. You shall not, except at your own cost, voluntarily make any payment, assume any obligation or incur any expense without our written consent. We reserve the right to compromise or contest at our option, on behalf of and in the name of but without expense to you, any and all claims.

*SERFF Tracking Number: HRLV-125341418*

*State: Arkansas*

*Filing Company: Harleysville Mutual Insurance Company*

*State Tracking Number: AR-PC-07-026608*

*Company Tracking Number: IMJM100207-1*

*TOI: 09.0 Inland Marine*

*Sub-TOI: 09.0005 Other Commercial Inland Marine*

*Product Name: CIM*

*Project Name/Number: IM National Cleaners Association/*

## **Rate Information**

Rate data does NOT apply to filing.

SERFF Tracking Number: HRLV-125341418

State: Arkansas

Filing Company: Harleysville Mutual Insurance Company

State Tracking Number: AR-PC-07-026608

Company Tracking Number: IMJM100207-1

TOI: 09.0 Inland Marine

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Product Name: CIM

Project Name/Number: IM National Cleaners Association/

## Supporting Document Schedules

**Satisfied -Name:** Uniform Transmittal Document-  
Property & Casualty

**Comments:**

**Attachment:**

AR NAIC 2007.pdf

**Review Status:**

Approved

11/01/2007

**Satisfied -Name:** cover letter

**Comments:**

**Attachment:**

AR Forms.pdf

**Review Status:**

Approved

11/01/2007

## Property & Casualty Transmittal Document

<b>1. Reserved for Insurance Dept. Use Only</b>	<b>2. Insurance Department Use only</b> a. Date the filing is received: b. Analyst: c. Disposition: d. Date of disposition of the filing: e. Effective date of filing: <div style="display: flex; justify-content: space-between;"> <div style="width: 45%;">New Business</div> <div style="width: 55%;"></div> </div> <div style="display: flex; justify-content: space-between;"> <div style="width: 45%;">Renewal Business</div> <div style="width: 55%;"></div> </div> f. State Filing #: g. SERFF Filing #: h. Subject Codes
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<b>3. Group Name</b>	<b>Group NAIC #</b>

4. Company Name(s)	Domicile	NAIC #	FEIN #	State #
Harleysville Mutual Insurance Company	PA	14168	23-0902325	

<b>5. Company Tracking Number</b>	125341418
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**Contact Info of Filer(s) or Corporate Officer(s)** [include toll-free number]

6.	Name and address	Title	Telephone #s	FAX #	e-mail
	Carol Zwayer 355 Maple Avenue Harleysville, PA 19438	Senior State Filing Analyst	800-523-6344 ext. 5735	215-256-5678	czwayer@harleysvillegroup.com

<b>7.</b> Signature of authorized filer	
<b>8.</b> Please print name of authorized filer	Carol Zwayer

**Filing information** (see General Instructions for descriptions of these fields)

<b>9. Type of Insurance (TOI)</b>	Commercial Inland Marind
<b>10. Sub-Type of Insurance (Sub-TOI)</b>	
<b>11. State Specific Product code(s)(if applicable)[See State Specific Requirements]</b>	
<b>12. Company Program Title</b> (Marketing title)	
<b>13. Filing Type</b>	<input type="checkbox"/> Rate/Loss Cost <input type="checkbox"/> Rules <input type="checkbox"/> Rates/Rules <input checked="" type="checkbox"/> Forms <input type="checkbox"/> Combination Rates/Rules/Forms <input type="checkbox"/> Withdrawal <input type="checkbox"/> Other (give description)
<b>14. Effective Date(s) Requested</b>	New: 12/01/2007    Renewal: 12/01/2007

## Property & Casualty Transmittal Document---

<b>15.</b>	<b>Reference Filing?</b>	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
<b>16.</b>	<b>Reference Organization</b> (if applicable)	
<b>17.</b>	<b>Reference Organization # &amp; Title</b>	
<b>18.</b>	<b>Company's Date of Filing</b>	10/31/07
<b>19.</b>	<b>Status of filing in domicile</b>	<input type="checkbox"/> Not Filed <input type="checkbox"/> Pending <input type="checkbox"/> Authorized <input type="checkbox"/> Disapproved

<b>20.</b>	<b>This filing transmittal is part of Company Tracking #</b>	125341418
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<b>21.</b>	<b>Filing Description</b> [This area can be used in lieu of a cover letter or filing memorandum and is free-form text]
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With this filing it is our intent to submit for your review and approval the introduction of our National Cleaners Association program as a supplement to our Commercial Inland Marine program.

Attached, please find the following forms to be used with this new program:

- CM-7268 (Ed.10-07) Bailees' Customers Coverage Form Declaration
- CMW-7341 (Ed. 02-99) Bailees' Customers Coverage Form – Special
- CM-7102 (Ed. 08-87) Storage Coverage Endorsement
- CM-7118 (Ed. 06-90) Replacement Cost Endorsement
- CM-7426 (Ed. 10-07) Dry Cleaners Extension
- CM-7427 (Ed. 10-07) Storage Coverage Extension

Rule of application: These changes shall be applicable to all policies written on or after December 1, 2007.

<b>22.</b>	<b>Filing Fees</b> (Filer must provide check # and fee amount if applicable) [If a state requires you to show how you calculated your filing fees, place that calculation below]
<div style="margin-bottom: 20px;"> <b>Check #:</b>    EFT  <b>Amount:</b>    50.00         </div> <p><b>Refer to each state's checklist for additional state specific requirements or instructions on calculating fees.</b></p>	

**\*\*\*Refer to each state's checklist for additional state specific requirements (i.e. # of additional copies required, other state specific forms, etc.)**

**HARLEYSVILLE MUTUAL INSURANCE COMPANY**

355 Maple Avenue  
Harleysville PA 19438-2297  
[www.harleysvillegroup.com](http://www.harleysvillegroup.com)

October 31, 2007

Honorable Julie Benafield Bowman  
Commissioner of Insurance  
Arkansas Department of Insurance  
1200 West Third Street  
Little Rock, AR 72201-1904

NAIC # 14168  
**Commercial Inland Marine**  
(Non-Controlled)  
Form Filing  
Company File Number: 125341418

Dear Honorable Bowman:

With this filing it is our intent to submit for your review and approval the introduction of our National Cleaners Association program as a supplement to our Commercial Inland Marine program.

Attached, please find the following forms to be used with this new program:

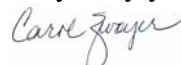
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Rule of application: These changes shall be applicable to all policies written on or after December 1, 2007.

Statistical Agent: Insurance Services Office, 545 Washington Blvd, Jersey City NJ 07310-1686

Your favorable approval will be appreciated.

Very truly yours,



Carol Zwoyer, AAM, AIT  
Senior State Filing Analyst  
(215) 256-5735  
[czwoyer@Harleysvillegroup.com](mailto:czwoyer@Harleysvillegroup.com)

CC: Jen Milewski, Lisa Berke